

COAERS CONNECT

FALL 2022 | WWW.COAERS.ORG



FORUM ON

COAERS LONG-TERM FINANCIAL SUSTAINABILITY AND 88TH LEGISLATIVE SESSION PROPOSAL

FRIDAY, OCTOBER 14 AT 1 PM

BALCONES ROOM AT THE COMMONS CONFERENCE CENTER
UT AUSTIN J.J. PICKLE RESEARCH CAMPUS
10100 BURNET ROAD

PLEASE RSVP:
WWW.COAERS.ORG/LEGISLATIVEPROPOSALFORUM

 **LIVE BROADCAST ON FACEBOOK.COM/COAERS**

On Friday, October 14 at 1 pm, join the City of Austin Employees' Retirement System for a stakeholder forum to discuss the System's long-term financial health and legislative proposal for the upcoming 88th Texas Legislative Session.

This event is an opportunity for all COAERS members to learn about important System updates. During the event, members will hear from the System's Board of Trustees, the Management Team, and City of Austin representatives about:

- The financial state of the retirement system
- 88th Texas Legislative Session proposal for the Plan's long-term sustainability

How to Participate:

There are several ways members can participate in the forum. Whether you join virtually or in person, we highly encourage you to RSVP to the event:

www.coaers.org/legislativeproposalforum

Watch the Forum Broadcast on Facebook Live

Members can participate virtually by tuning into the live broadcast on the COAERS Facebook page: www.facebook.com/coaers.

Attend the Forum in Person

For those who wish to attend in person, the forum will be held in the Balcones Room of the Commons Conference Center at the UT Austin J.J. Pickle Research Campus located on

10100 Burnet Road.

Members who plan to attend in person will be provided parking information and validation upon RSVP, so we highly encourage you to RSVP.

Join and listen via telephone:

Public Participation Dial-in Number:

(346) 248-7799

Meeting ID: 860 8050 7436

For assistance or questions about the forum, please contact (512) 458-2551 or member.services@coaers.org. To learn more about the legislative proposal, visit www.coaers.org/plansustainability.

COAERS Names New Chief Financial Officer

In September, COAERS named Yun Quintanilla as the new Chief Financial Officer for the retirement system. She will lead the management of the System's finance division.



Ms. Quintanilla joined COAERS in 2019 and has served as the System's Accounting Director since that time. With an extensive background in government financial and investment accounting, she has been integral to COAERS' financial operations.

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COAERS HOURS OF OPERATION

COAERS offices are open to the public by appointment only. Schedule an appointment with our Staff for help via telephone, email, virtual visits or for select in-person services.

Monday - Friday
8:00 a.m. to 5:00 p.m.

Tel: (512) 458-2551
www.coaers.org
member.services@coaers.org

COAERS BOARD OF TRUSTEES

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Michael Benson
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Annual Meeting Draws Members to Austin Central Library



On Thursday, July 21, COAERS welcomed members to its 2022 Member Meeting. This year, the annual event took place in-person at the Austin Central Library and was broadcast virtually on the COAERS Facebook page.

The evening's program featured presentations from the COAERS Management Team, including Executive Director Christopher Hanson, Deputy Executive Director Russell Nash and Deputy Chief Investment Officer David Stafford.

In his update to members, Mr. Nash provided an overview of COAERS operations and the many tools and resources that are available to members to stay up to date with their retirement account and benefit information. Mr. Stafford outlined the key tenets of the COAERS investment program. He also reported on investment performance, cost control measures and emphasized the need to adapt in a changing world in order to protect the Fund from emerging risks such as inflation and geopolitics.

Mr. Hanson provided an update on the System's most recent actuarial valuation and the steps that the City of Austin and COAERS are taking toward legislation for pension sustainability. He was joined by City of Austin's Chief Financial Officer Ed Van Eenoo. Additionally, a Q&A panel answered questions and discussed important updates regarding the System's proposed legislative initiatives.

Members who missed the meeting can watch the video broadcast replay on the COAERS website at www.coaers.org/watch-the-2022-member-meeting.

Retiree Insurance Open Enrollment Period

The retiree Open Enrollment period for benefit changes will begin on Monday, October 10, 2022 and end Sunday, November 13, 2022, at midnight. Open Enrollment is an opportunity for retired members to make changes to current benefit elections, which will become effective January 1, 2023. Be sure to review your benefit information carefully. If you do not wish to make benefit changes, you do not need to participate in Open Enrollment; your current benefits will automatically roll over to 2023. The City will also host two in-person Open Enrollment presentations for retirees on:

October 14, 2022 & October 21, 2022
9 am & 11 am (two presentations each day)
Learning and Research Center
5202 E. Ben White Blvd, Suite 500, RM 204

If you need assistance, contact COA Benefits Division at (512) 974-3284 or benefits.hrd@austintexas.gov.

Election News: Retired Member Election to Kick off in October

This October, retired members will have the opportunity to cast their ballots in the 2022 Retired Member Place 11 election. This year, one member has declared their candidacy for the open position. You can learn about the candidate in this election by reading the candidate's statement, which can be found on the COAERS website at www.coaers.org/board-elections along with the latest election information.

How to Vote in the Election

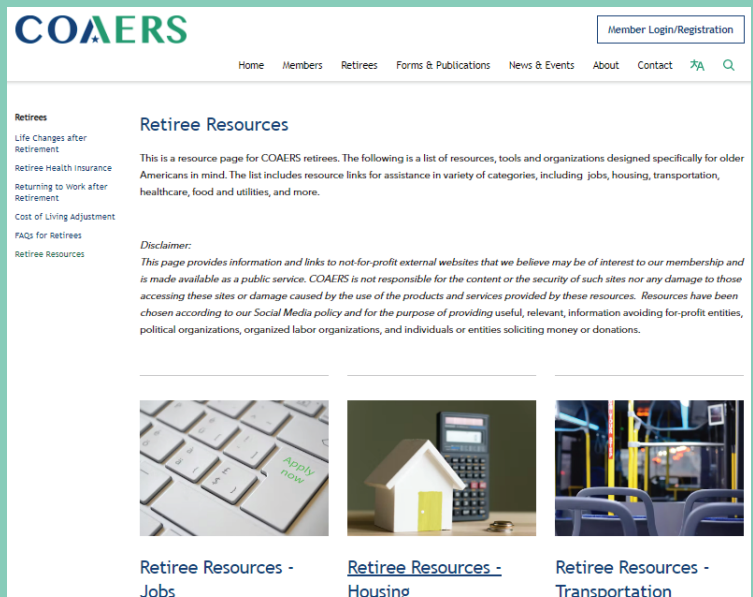
COAERS members have the option to cast their vote through either a mail-in paper ballot or by voting online. Later this month, all eligible retirees will receive a paper ballot in the mail which will contain unique voting credentials assigned to each retired member.

As an alternative to the paper ballot, COAERS members can vote online. COAERS has partnered with YesElections once again to make online voting possible. Online voting information will be located on the paper ballot. Retirees who have an email on file with COAERS will also be sent election information via email from YesElections with a unique voter identification code and pin.

Be on the lookout for your official election ballot. For any questions, please contact michelle.mahaini@coaers.org.

COAERS Launches New Resource Page for Retirees

COAERS recently unveiled a new webpage dedicated to providing resources and tools designed specifically for retirees. The list includes resource links for assistance in a variety of categories, including jobs, housing, transportation, healthcare, food and utilities, and more. To access the page, visit www.coaers.org/retireeresources.



Board News Breakdown



These highlights are a summary of topics discussed and actions taken by the COAERS Board.

Legislative Proposal Update

During its September meeting, the Board received a report on the development of pension legislation for the 88th Legislative Session. Staff reported on efforts since the June 2022 Board meeting, including the status of the draft legislation, and the timeline of action items leading up to the 88th Legislative Session.

Actuary Report on Cost-of-Living Adjustment for 2023

At the September meeting of the Board, the COAERS actuary provided the annual recommendation on the feasibility of a cost-of-living adjustment (COLA) for 2023.

Based on the Pension Review Board funding requirements for retirement systems, the Board's Funding Policy, and the System's current funded status, the actuary concluded that the thresholds are not currently being met to support the consideration of a COLA. In their recommendation, the COAERS actuary concluded that the System should grant neither a COLA nor an additional payment at this time.

While Trustees expressed concerns that the System was not in a position to grant a COLA, the Board voted to approve the actuary recommendation.

Investment Update

The Board received an educational presentation on the System's upcoming Asset/Liability Study. The study is a tool that analyzes the retirement system's key financial drivers - Investment Policy, Contribution Policy, and Benefit Policy.

The Investment Policy Statement requires the Board to conduct an Asset/Liability Study at least every five years, or when there have been material changes to the contribution or benefit policy. While the next study would have been conducted in 2023, the Board believes it important to conduct this study now, ahead of the 88th Legislative Session, to model the effects of the agreed-to legislative framework to demonstrate the impact of the legislative proposal on the long-term financial sustainability of the System.

For up to date information and COAERS news, visit www.coaers.org.

Member Benefits: Service Purchase Options

At the time of retirement, a member's lifetime benefit with COAERS is determined by a formula which includes salary, years of service credit, and the membership group you belong to. While the primary way to obtain service credit is by working in a regular full-time position and making mandatory contributions to the System, eligible active members can also establish additional service credit by purchasing it. There are a number of ways in which you may be able to purchase service credit, as described below.

Prior Service

If you left the City and withdrew your money, you can reinstate your service credit through a purchase of your prior service if you are reemployed with the City or currently working for a proportionate employer. Purchasing prior service not only increases your service credit but also increases your retirement benefit payment.

Prior Military Service

You can purchase a minimum of 90 days and up to 48 months of service for full-time, active duty that you completed in the Armed Forces of the United States prior to working for the City. You will need to provide your DD214 Form to receive this credit.

Military Service Leave of Absence

Active members can purchase service credit if you had to leave your City job to perform military duty and chose not to continue making retirement contributions while you were deployed. When you return, depending on your length of service prior to your military assignment, you generally have between 14 and 90 days to return to your City job. Once you are back, you must purchase your military service within five years of returning. Purchasing military service not only increases your service credit but also increases your retirement benefit payment.

Non-Contributing Service

You can purchase service credit representing certain employment periods with the City in which you would not have made COAERS contributions. Some examples include:

- Temporary or part-time positions
- Approved leave of absence
- Workers Compensation leave due to an on-the-job injury

In addition, up to six months of non-contributing service can be purchased for probationary period employment for those who were hired prior to October 1, 1995, but were not still employed by the City on October 1, 1995. If you were an active contributory member of COAERS on October 1, 1995, you were given credit for this period at no charge to you. Purchasing non-contributing service not only increases your service credit but also increases your retirement benefit payment.

Sick Leave Conversion

At retirement, you may convert unused sick leave hours to service credit. A sick leave purchase does not make you eligible to retire any sooner, but it will increase your monthly benefit payment. Unused sick leave hours eligible for cash payment may not be converted to service credit. You must convert your sick time in 80-hour pay period increments. Both you and the City will pay the current contribution rate at the time of retirement to convert the hours to service credit.

Supplementary Service Credit

Once you have five years of COAERS membership service credit, you can purchase up to 60 months of additional service credit.

- Group A Supplementary service credit will increase your monthly benefit payment and will also count toward your retirement eligibility.
- Group B Supplementary service credit will increase your monthly benefit payment but will not count toward your retirement eligibility.

How to Get a Service Purchase Estimate

With MemberDirect, it's easier than ever to request and review your service purchase estimate. Simply log on to your MemberDirect account at www.coaers.org, select "Estimate a Purchase" and review your options. You can also contact our Member Services team at member.services@coaers.org or call (512) 458-2551 for assistance.

As COAERS and the City of Austin continue to finalize pension legislation, some service purchase policy parameters may change in 2024. However, it's important to note that service purchase options will not be eliminated. For more information, visit www.coaers.org/plansustainability for the latest updates on the legislative proposal.

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(512) 458-2551
www.coaers.org
member.services@coaers.org



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instagram.com/coaers1

IMPORTANT 2022 DATES

OCTOBER

- 10/05 Retiree Webinar
- 10/10 Retiree Insurance Open Enrollment Begins
- 10/14 Forum on Legislative Proposal
- 10/14 Retirement Application Deadline
- 10/17 Board Workshop
- 10/18 Board Workshop
- 10/25 Virtual Pre-Retirement Seminar
- 10/31 Retiree Annuity Issue Date

NOVEMBER

- 11/11 Veterans Day - Holiday Office Closure
- 11/15 Retirement Application Deadline

NOVEMBER Continued

- 11/24 Thanksgiving - Holiday Office Closure
- 11/25 Thanksgiving - Holiday Office Closure
- 11/29 Virtual Pre-Retirement Seminar
- 11/30 Retiree Annuity Issue Date

DECEMBER

- 12/09 Service Purchases Deadline for 2022
- 12/15 Retirement Application Deadline
- 12/15 Board Meeting
- 12/23 Christmas - Holiday Office Closure
- 12/26 Christmas - Holiday Office Closure
- 12/28 Virtual Pre-Retirement Seminar
- 12/30 Retiree Annuity Issue Date

COAERS

CITY OF AUSTIN

EMPLOYEES' RETIREMENT SYSTEM

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Austin, TX 78731

DISCLAIMER:

The COAERS Connect newsletter is a publication of the City of Austin Employees' Retirement System and is distributed as a courtesy to Active, Vested, and Retired Members and their beneficiaries. While COAERS has made every attempt to provide correct information, it does not guarantee the accuracy of the information contained or referenced herein.

CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM

FALL
NEWSLETTER

